GOVERNMENT OF INDIA
LABOUR
LOK SABHA

UNSTARRED QUESTION NO:6827
ANSWERED ON:13.05.2002
IMPACT OF DISINVESTMENT ON UNEMPLOYMENT
SUNDER LAL TIWARI

Will the Minister of LABOUR be pleased to state:

(a) whether the Government have received any representations from various labour organisations to stop the process of disinvestment and invest the funds on the research and developmental works for generating more employment opportunities;

(b) if so, the details thereof and action taken thereon; and

(c) the concrete steps taken by the Government to combat the increasing problem of unemployment in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF LABOUR (SHRI MUNI LALL)

a) & b) Government has received representations from various Employees Associations against disinvestments of Government equity in Public Sector Undertakings (PSUs).Before disinvestments in any PSU, the discussions are held with the employees representatives, whenever needed, to allay their apprehensions and to assure them that the Government is committed to protect the interests of the employees. As announced by the Finance Minister in the Budget Speech for the year 2001-2002, the proceeds from disinvestments are to be utilized for providing restructuring assistance to PSUs, safety net to workers, reduction of debt burden and as an additional budgetary support for the Plan, primarily in the social and infrastructure sectors.

c) All decisions of the Government relating to disinvestments do not automatically have a direct impact on the jobs of the employees of the concerned Public Sector company. When the decision involves a strategic sale with the transfer of management and control of the company, the issues relating to employees assume importance and the concerns are appropriately addressed in the terms and conditions of sale.

In order to address the problem of unemployment in the country. Tenth Plan will focuss on providing gainful high quality employment to the additions to the labour force and it is listed as one of the monitorable objectives for the Tenth Plan and beyond. The growth strategy of Tenth Plan would lay emphasis on rapid growth of those sectors which are likely to create high quality employment opportunities and deal with the policy constraints which discourage growth of employment. Particular attention would be paid to the policy environment influencing a wide range of economic activities which have a large employment potential.